| 1 | 2 | 3 | 4 |
|---|---|---|---|
| July | 362·3 | 378·3 | 400·6 |
| August | 363.1 | 381.6 | 409.6 |
| September | 357·6 | 381.5 | 408·9 |
| October | 360.0 | 384.8 | .. |
| November | 357·9 | 380.6 | .. |
| December | 356.4 | 377·9 | .. |
| January | 357·5 | 377.7 | .. |
| February. | 358·9 | 376.6 | .. |
| March | 359·8 | 378.1 | .. |

*Sourcee* : Office of Economic Adviser, Ministry of Industry.

**Loss of Stocks of Cotton Corporation of India by Fire at Guntur**

3396. DR. YELAMANCHILI SIVAJI: Will the Minister of TEXTILES be pleased to state:

(a) whether it is a fact that huge stocks held by Cotton Corporation of India in Guntur district of Andhra Pradesh were damaged by mysterious fire accidents; if so, what is the actual value of cotton involved in such fire accidents for the last five years and how much loss is claimed from insurance companies; and

(b) whether an investigation is going on in this regard and what steps are taken to prevent such hazards and malpractices?

THE MINISTER OF STATE IN THE MINISTRY OF TEXTILES (SHRI RAFIQUE ALAM): (a) and (b) There were no mysterious fire accidents to the cotton stocks of Cotton Corporation of India in Guntur district of Andhra Pradesh. According to the investigation made by police authorities and also by the officers of CCI, the fires were accidental in which cotton stocks of CCI valued at around Rs. 4 crores were destroyed during the last five years. The stocks destroyed were insured and the entire value thereof was reimbursed by the insurance companies. The Corporation has taken necessary preventive steps and precautions such as provision of fire fighting facilities, underground electric wiring etc. to minimise the possibility of such accidents in future.

**Meetings of Consultative Committee for Punjab and Tamil Nadu**

3397. SHRI ALADI ARUNA alias V. ARUNACHALAM: Will the Minister of HOME AFFAIRS be pleased to state:

(a) how many times the Consultative Committees constituted for Punjab and Tamil Nadu have held their meetings; and

(b) what were the subjects discursed in those meetings?

THE MINISTER OF STATE IN THE MINISTRY OF HOME AFFAIRS (SHRI SANTOSH MOHAN DEV): (a) and (b) No meeting of the Consultative Committees constituted for Punjab and Tamil Nadu has been held so far.

**Conversion of RIL Plant as Refinery**

3398. SHRI A. G. KULKARNI: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that Reliance Industries Limited has been accorded a refinery status for their PTA Plant at Patalganga in Maharashtra and if so, what are the rea-

sons therefore and what will be the loss of excuse due to exchequer; and

(b) whether this will discriminate against public sector units who produce similar products or require similar status; and

(c) what was the special reason on obliging a private sector company by adopting a favourable pattern of assistance?

THE MINISTER OF STATE IN THE DEPARTMENT OF REVENUE IN THE MINISTRY OF FINANCE (SHRI AJIT PANJA): (a) Yes, Sir. The plant of M/s. Reliance Industries at Patalganga in Maharashtra has been declared as refinery for obtaining raw naptha at concessional rate of duty of Rs. 30 per kilo litre under Notification No. 75/84 dated 1.3.84 for manufacture of paraxylene. Refinery status had also been earlier granted to IPCL and BPCL. The declaration of a petrochemical complex as a refinery aims at keeping down the incidence of Central Excise duty and avoiding cascading effect of taxation so that the price of final product is reasonable. Since duty over and above Rs. 30 per kilo litre on raw naptha is exempted if used in the manufacture of paraxylene in a premises declared as refinery, there is no loss of revenue to the Government.

(b) No, Sir. Similar status has already been granted to Public sector units producing same product.

(c) No favourable pattern of assistance has been granted and hence the question of any obligation does not arise.

**Fall in Purchasing Power of Rupee**

3399. SHRI A. G. KULKARNI: Will the Minister of FINANCE be pleased to state:

(a) whether due to fall in purchasing power of rupee during the Seventh Plan Period the purchasing power of rural and urban poor has been effected, and if so, to what extent;

(b) what the percentage expenditure of rural and urban poor on food, clothing and essential commodities each year during the last three years;

(c) how much rural income has been transferred to urban area during the last three years due to adverse Terms of Trade in agriculture and manufacture; and

(d) what steps Government propose to take to balance rural-urban Terms of Trade?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO): (a) The purchasing power of the rupee measured as the reciprocal of the Consumer Price Index for Industrila Workers (Base 1960=100) declined from 17.06 paise in March, 1985 to 13.78 paise in March, 1988. The impact of the decline in purchasing power of rupee on living standards of different sections depends on the change that has taken place in their incomes.

(b) and (c) Information on consumption expenditure in rural and urban areas is collected by the National Sample Survey Organisation in their quin-quennial surveys. The latest available information relates to the year 1983. This is given in the annexed statement (*See* below) The data in respect of quin-quennium ending 1988 is still under processing. The information on inter-sectoral flow of incomes between rural and urban areas is not collected.

(d) The measures taken by the Government to maintain a balance in the rural-urban terms of trade include assuring remunerative prices to farmers for their products, which take into account the cost of non-agricultural inputs, and supply of essential inputs such as fertilizers, irrigation and power on a subsidised basis. Also agricultural incomes have been kept out of the net of income tax.